LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6568 NOTE PREPARED: Jan 11, 2007

BILL NUMBER: HB 1463 BILL AMENDED:

SUBJECT: High School Diplomas for Veterans.

FIRST AUTHOR: Rep. Hinkle BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a veteran of the Korean Conflict or the Vietnam Conflict who left a public or nonpublic high school without graduating in order to perform military service may receive a high school diploma.

Effective Date: July 1, 2007.

Explanation of State Expenditures: Summary: Under the bill, the Department of Education would incur expenditures to produce additional diplomas for Korean and Vietnam veterans, and the Department of Veterans' Affairs would incur additional administrative responsibility to verify the eligibility of veterans from the Korean and Vietnam conflicts. The fiscal impact to state expenditures is expected to be minimal.

Estimation Issues: Projections from the United States Department of Veterans' Affairs indicate that approximately 217,000 veterans from the Korean and Vietnam conflicts currently live in Indiana.

Diploma Cost: The total cost to produce a veteran's diploma under P.L.127-2002 is approximately \$2.79. Under P.L.127-2002, World War I and World War II veterans that dropped out of high school in order to enlist in the Armed Forces of the United States are eligible to be awarded an honorary high school diploma. Since the passage of P.L. 127-2002, 276 diplomas have been awarded to qualifying WWI and WWII veterans. Of the 276 diplomas, the Department has awarded 47 diplomas at the state level, versus 229 diplomas awarded at the local school district level. The total cost for producing 276 diplomas based on the per diploma cost estimate above would be about \$770.

As a comparison there are approximately 56,700 WWII veterans in Indiana. The 47 diplomas issued by the

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state represents about 0.08% of the WWII veterans in Indiana. If the state experienced a similar experience for Vietnam or Korean conflict veterans, then about 170 diplomas might be issued at a cost of about \$500.

Explanation of State Revenues:

Explanation of Local Expenditures: Awarding of additional veterans diplomas would have a minimal impact to school corporation expenditures if the school were to hold a veteran diploma ceremony concurrently with another school activity such as commencement. Of the 276 World War I or World War II diplomas awarded to date, school corporations have awarded 229 diplomas to qualifying veterans (83% of total awarded). The 229 represents about 0.4% of the current WWI and WWII veterans. If schools experienced a similar experience for Vietnam or Korean conflicts veterans, then about 870 diplomas might be issued.

Explanation of Local Revenues:

State Agencies Affected: Department of Education; Department of Veterans Affairs.

Local Agencies Affected: School corporations.

<u>Information Sources:</u> Office of the Actuary, Office of Policy and Planning, U.S. Department of Veterans' Affairs; Jeff Zaring, Indiana Department of Education, (317) 232-6622; Indiana War Memorials Commission.

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